



Ministry of International Trade and Industry

Weekly Bulletin

DRIVING TRANSFORMATION, POWERING GROWTH

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MALAYSIA, 10 OTHER ASIA PACIFIC NATIONS INK TRADE DEAL



“Despite the absence of the US, Malaysia still stands to gain from market access to countries like Canada, Peru and Mexico with whom we currently do not have preferential trading arrangement.”

Source: <https://www.thestar.com.my/business/business-news/2018/03/09/malaysia-10-other-asiapac-nations-ink-trade-deal/>

MALAYSIA

Labour Market, January 2018



The number of labour force **increased 0.3 per cent** in January 2018 compared to the previous month.

Labour Force

Jan 2018 : 15.19 mil
Dec 2017: 15.15 mil
Jan 2017 : 14.88 mil



2.1%
(Y-o-Y)



Employed Persons

Jan 2018 : 14.67 mil
Jan 2017 : 14.37 mil



2.1%

Labour Force Participation Rate (LFPR)

Jan 2018 : 68.2%
Jan 2017 : 67.7%



0.5%



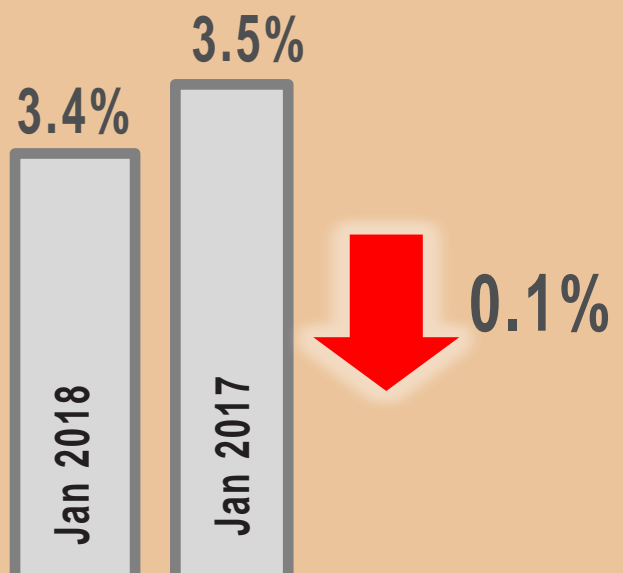
Unemployed Persons

Jan 2018 : 0.52 mil
Jan 2017: 0.51 mil



0.5%

Unemployment Rate

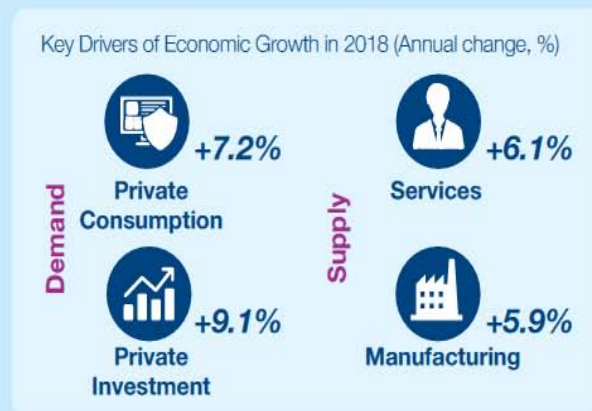


Source: Department of Statistics, Malaysia

Key Highlights on Economic Developments and Outlook

Sustained GDP growth in 2018

Continued expansion in domestic demand and in major economic sectors

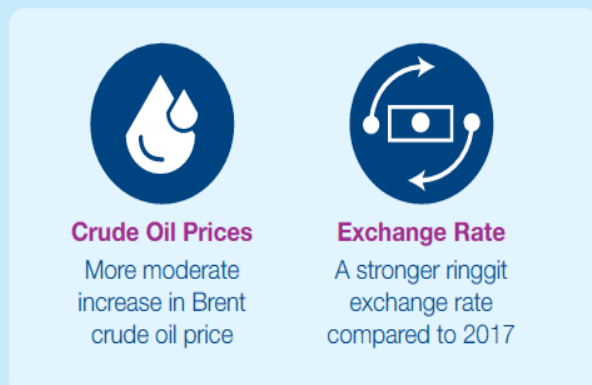


Headline inflation expected to moderate in 2018

Smaller contribution from global cost factors

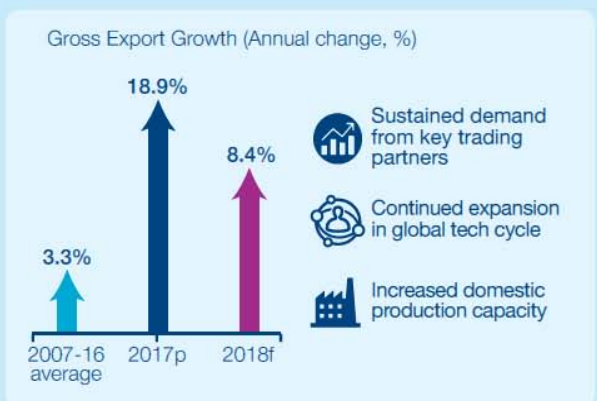


Mainly contingent on:

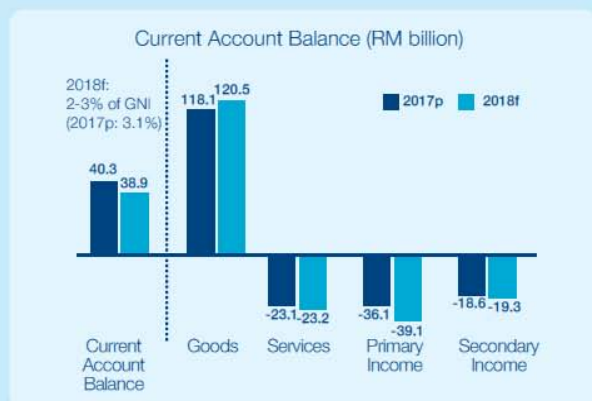


Exports and current account surplus to remain firm in 2018

Exports to grow above long-term average trends



Sustained current account surplus, driven by goods surplus



Key Highlights on Box Articles

Unlocking Malaysia's Digital Future: Opportunities, Challenges and Policy Responses



Digital transformation could boost USD100-136 billion in GDP by 2025

3 key fundamentals that must be addressed

Fast affordable broadband

Talent tailored for digital progress

High digital adoption



Broadband speed is 3 times slower than frontrunners



Only 1 in 5 graduates are in STEM



< 40% of the population use internet banking and e-commerce

Modernising regulations, empowering talent and universal access to infrastructure will accelerate Malaysia's digitalisation

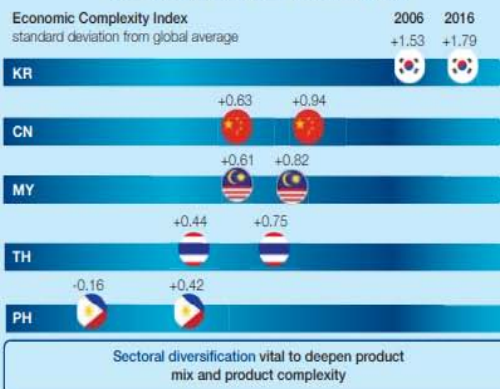
Low-Skilled Foreign Workers' Distortions to the Economy

Indiscriminate reliance on low-skilled foreign workers imposes costs to the economy



Complexity and Growth: Malaysia's Position and Policy Implications

Malaysia's economic complexity has improved, but others are fast catching up



Source: The Atlas of Economic Complexity

The Living Wage: Beyond Making Ends Meet

The living wage enables households to afford a 'minimum acceptable' living standard, which include:

Ability to meaningfully participate in society

Opportunity for personal & family development

Freedom from severe financial stress

Provisional Living Wage Estimates in Kuala Lumpur in 2016 (RM per month)

RM2,700



Single adult

RM4,500



Couple without child

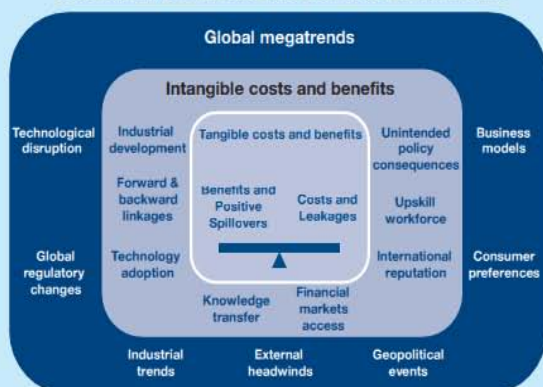
RM6,500



Couple with two children

A Critical Assessment on Direct Investment Abroad (DIA) and the Changing Nature of Foreign Direct Investment (FDI)

Malaysia needs a fresh approach to assess desirability of inward and outward investments



The Bank's Business Plan 2018 - 2020: Framing the Future with Talent and Technology

Business plan as a forward planning tool





International Report

Malaysia as the Second Largest Exporter of **Palm oil and its fractions, whether or not refined (excluding chemically modified and crude)*, 2016**



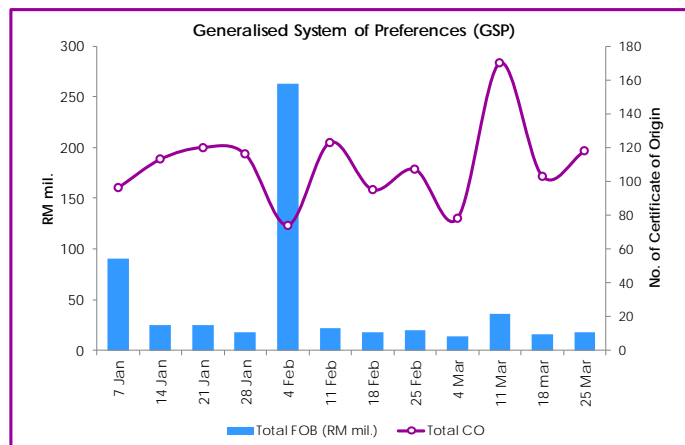
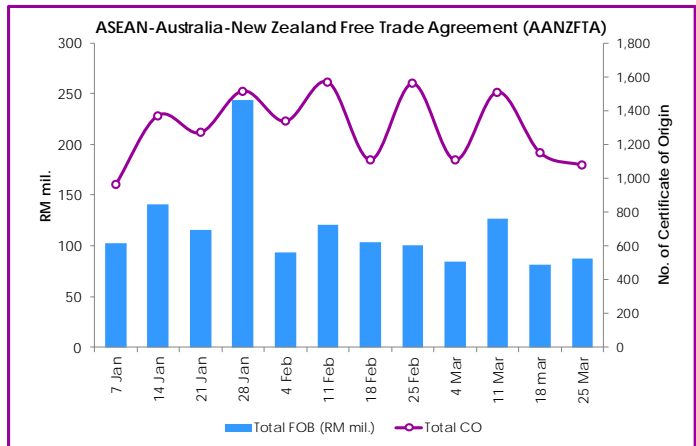
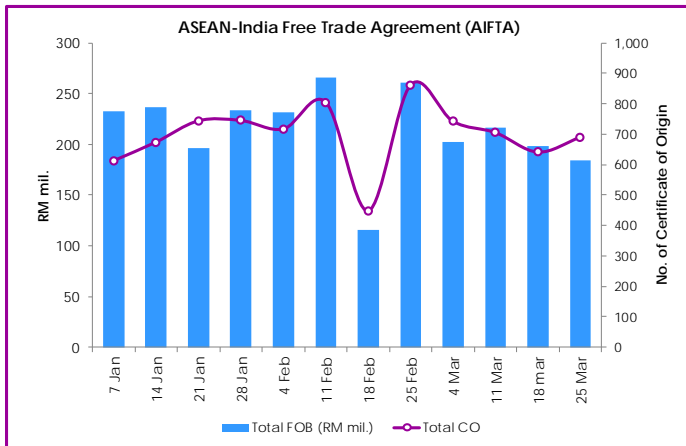
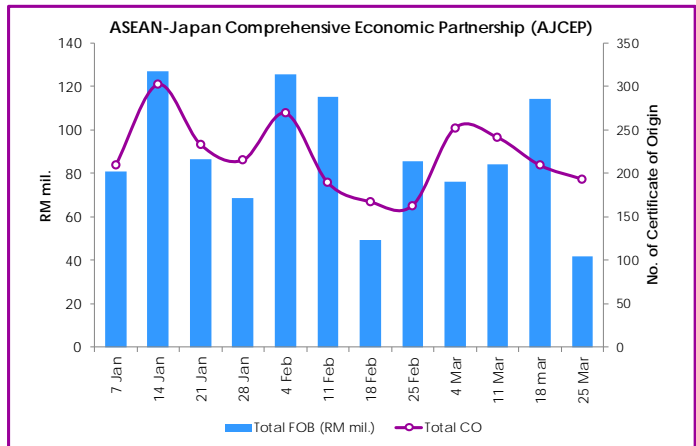
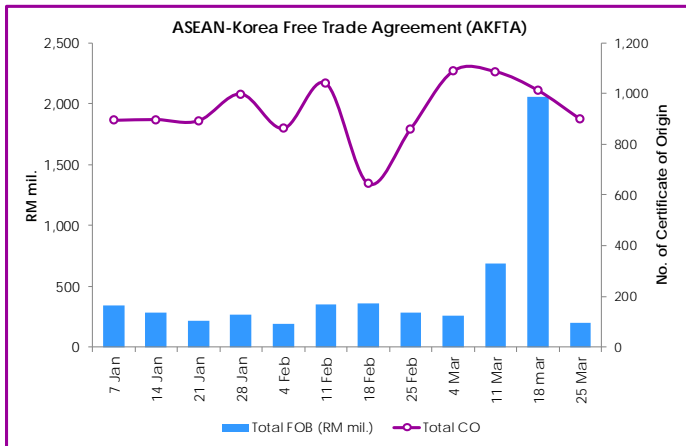
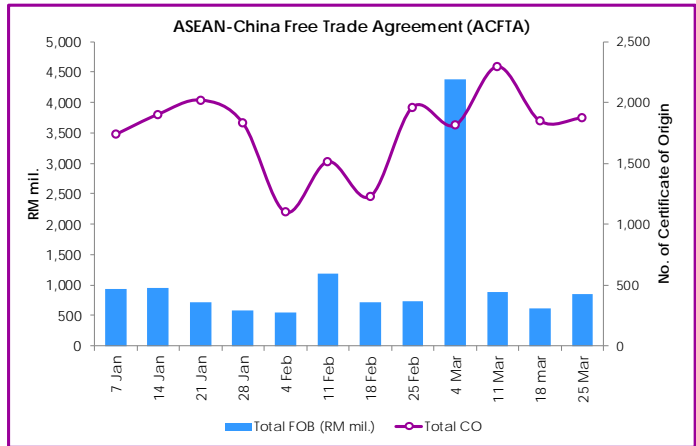
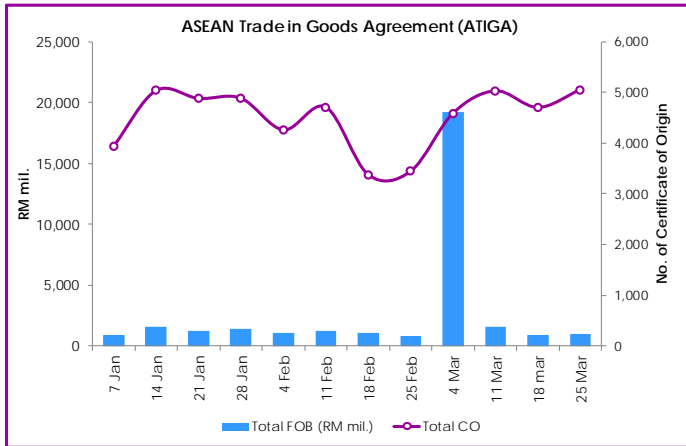
Malaysia's Top Five Export Destinations



Note : * Refers to HS151190

Source : <http://www.trademap.org/Index.aspx>

Number and Value of Preferential Certificates of Origin (PCOs)

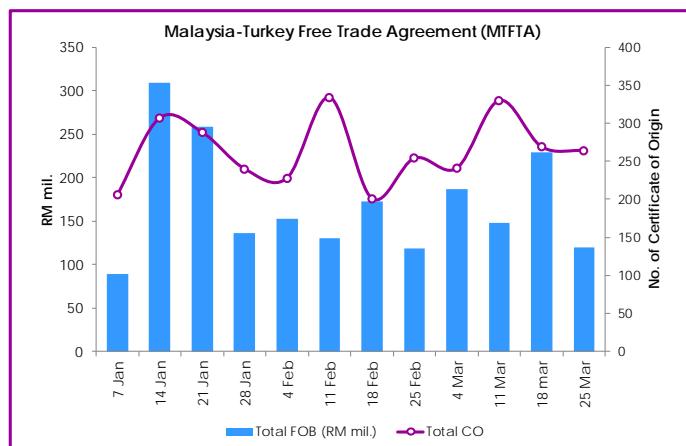
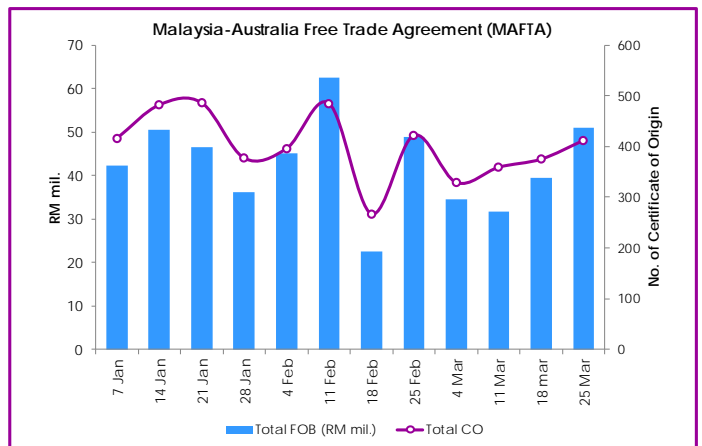
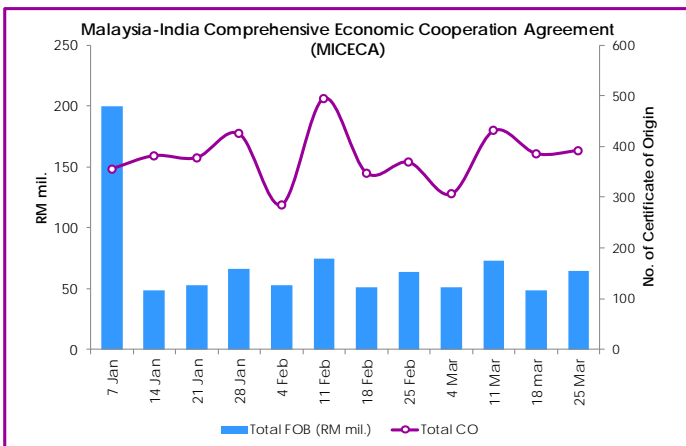
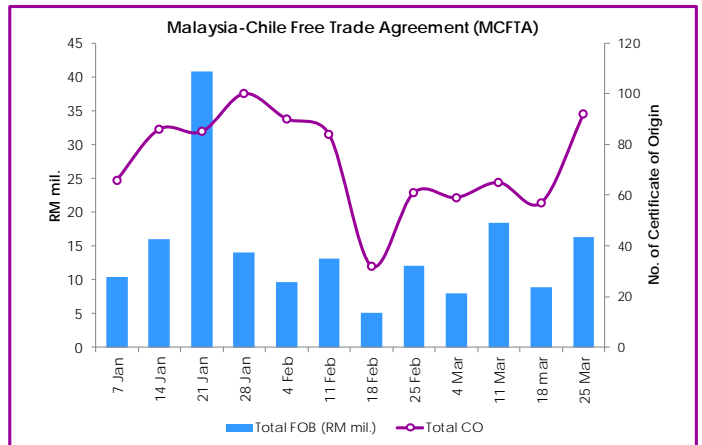
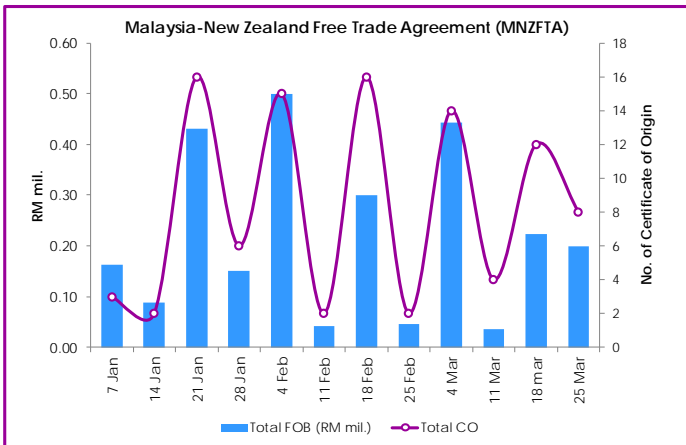
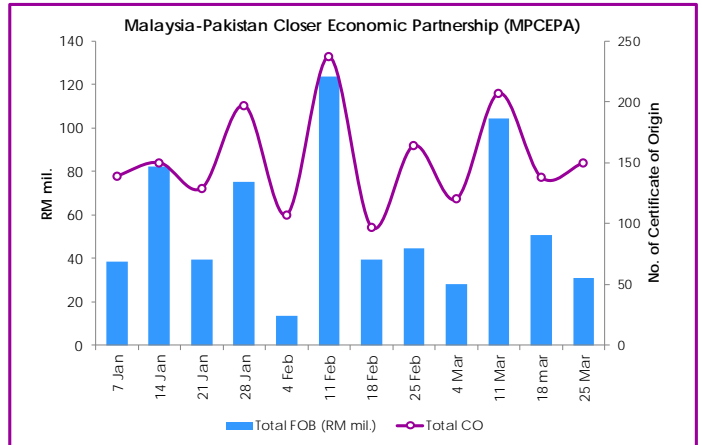
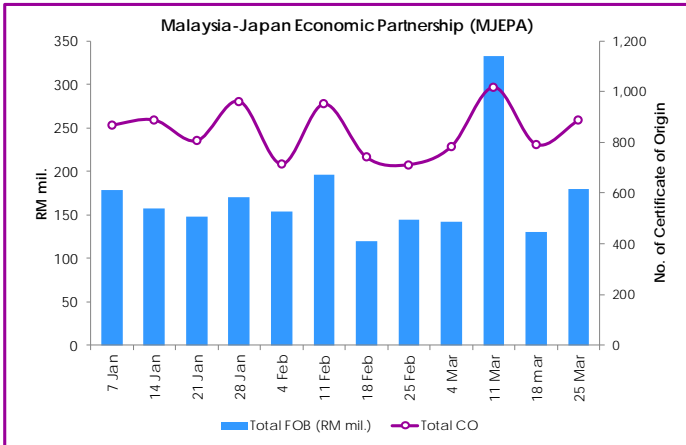


Note: The preference giving countries under the GSP scheme are Liechtenstein, the Russian Federation, Japan, Switzerland, Belarus, Kazakhstan and Norway.

Note: *Provisional Data

Source: Ministry of International Trade and Industry, Malaysia

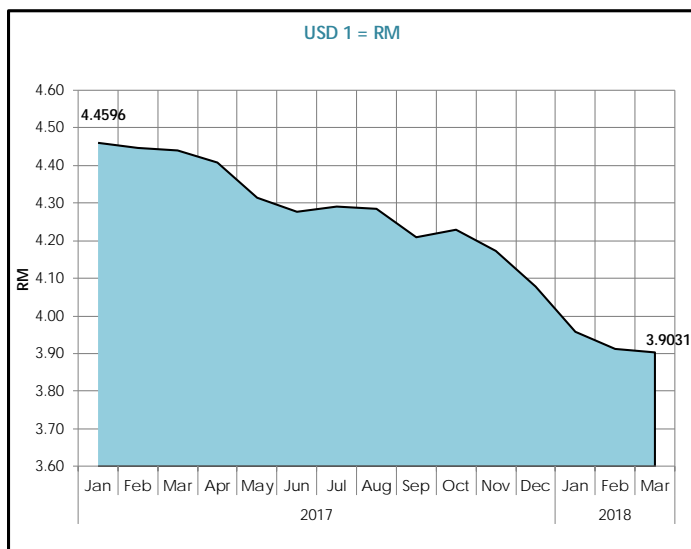
Number and Value of Preferential Certificates of Origin (PCOs)



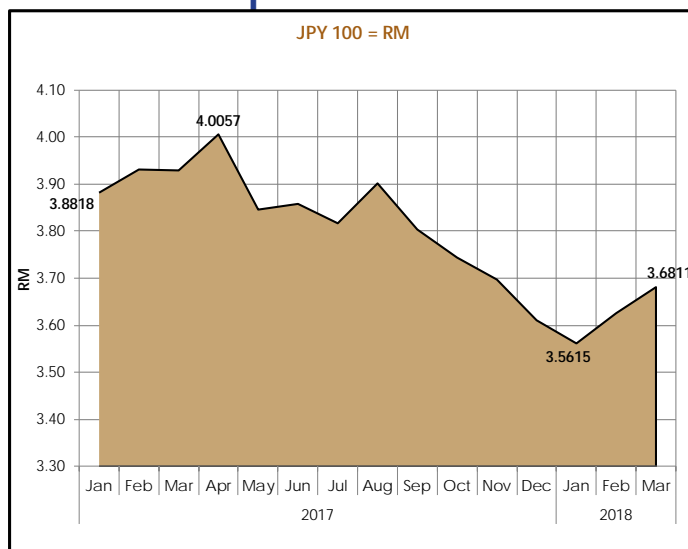
Note: *Provisional Data
Source: Ministry of International Trade and Industry, Malaysia

Malaysian Ringgit Exchange Rate with Selected Countries, January 2017 - March 2018

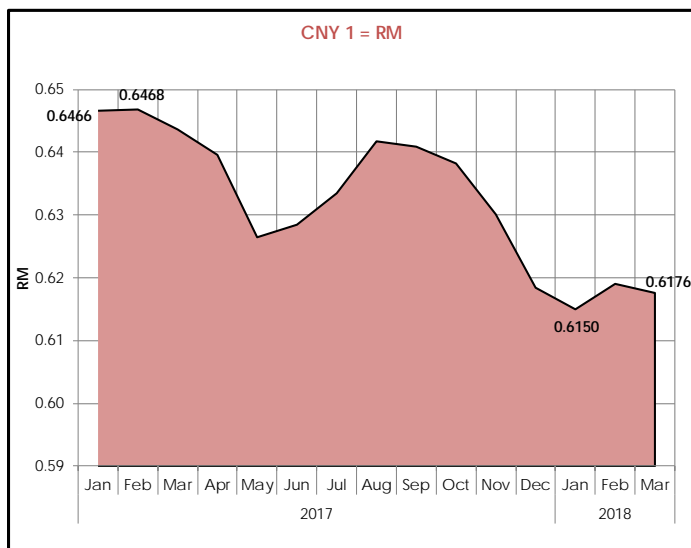
US Dollar



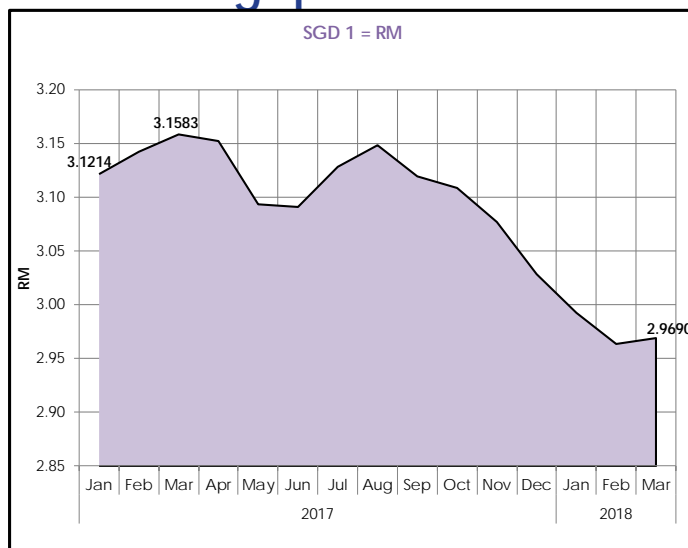
Japanese Yen



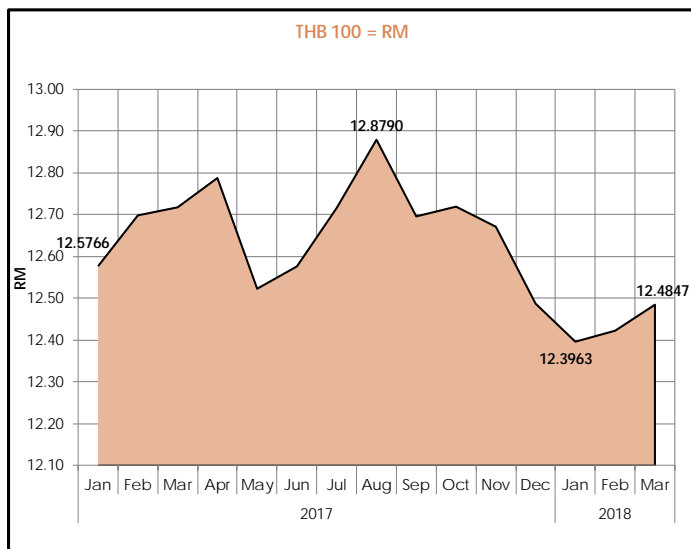
Chinese Yuan



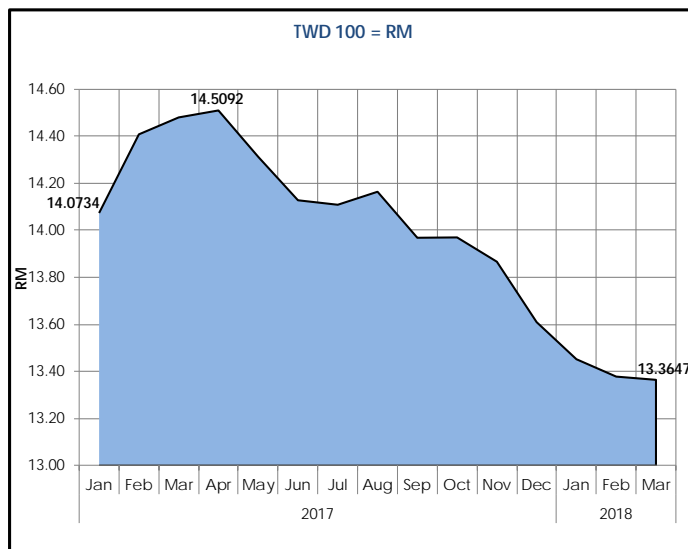
Singapore Dollar



Thai Baht



New Taiwan Dollar



Source : Bank Negara, Malaysia

Commodity Prices



CRUDE PETROLEUM (BRENT) -per bbl-

29 Mar 2018 : US\$70.3, ▼ 0.3%*
Average Priceⁱ: 2017: US\$55.0
2016: US\$45.3



CRUDE PALM OIL -per MT-

29 Mar 2018 : US\$677.0, ▲ 0.1%*
Average Priceⁱ: 2017: US\$719.7
2016: US\$702.2



SUGAR -per lbs-

29 Mar 2018 : US¢ 12.4, ▼ 1.8%*
Average Priceⁱ: 2017: US¢15.8
2016: US¢18.2

RUBBER SMR 20 -per MT-

29 Mar 2018 : US\$1,384.5, ▲ 1.7%*
Average Priceⁱ: 2017: US\$1,646.6
2016: US\$1,394.5



COCOA SMC 2 -per MT-

29 Mar 2018 : US\$1,718.2, ▲ 1.2%*
Average Priceⁱ: 2017: US\$1,439.0
2016: US\$1,609.8



COAL -per MT-

29 Mar 2018 : US\$60.8, ▼ 3.5%
Average Priceⁱ: 2017: US\$57.2
2016: US\$45.6



SCRAP IRON HMS -per MT-

30 Mar 2018 : US\$410.0 (high), unchanged
US\$395.0 (low), unchanged
Average Priceⁱ: 2017: US\$314.5
2016: US\$243.2

HIGHEST and LOWEST 2017/2018

Crude Petroleum (Brent) -per bbl-



Highest

26 Jan 2018 : US\$70.5
29 Dec 2017 : US\$66.9

Lowest

9 Feb 2018 : US\$62.8
23 June 2017 : US\$45.5

Crude Palm Oil -per MT-



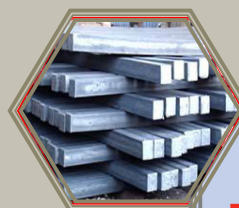
Highest

9 Mar 2018 : US\$691.5
20 Jan 2017 : US\$843.0

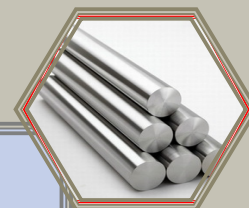
Lowest

23 Feb 2018 : US\$653.5
30 June 2017 : US\$650.0

Domestic Prices 30 Mar 2018



Billets
(per MT)
RM2,200 – RM2,250



Steel Bars
(per MT)
RM2,600 – RM2,750

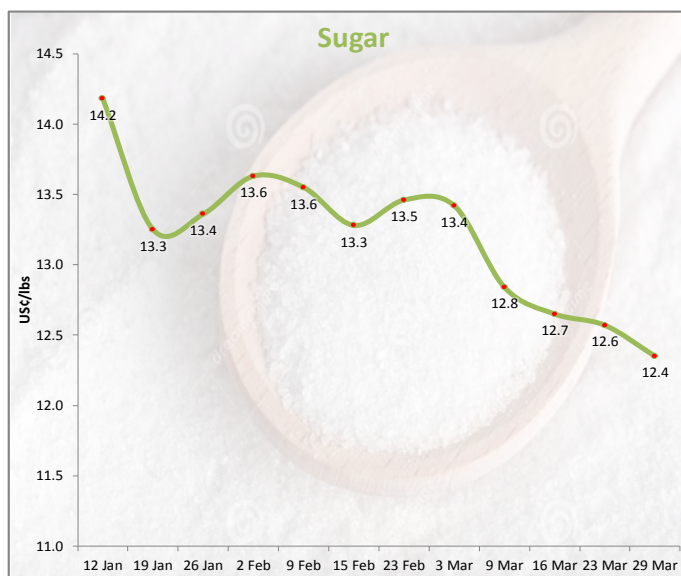
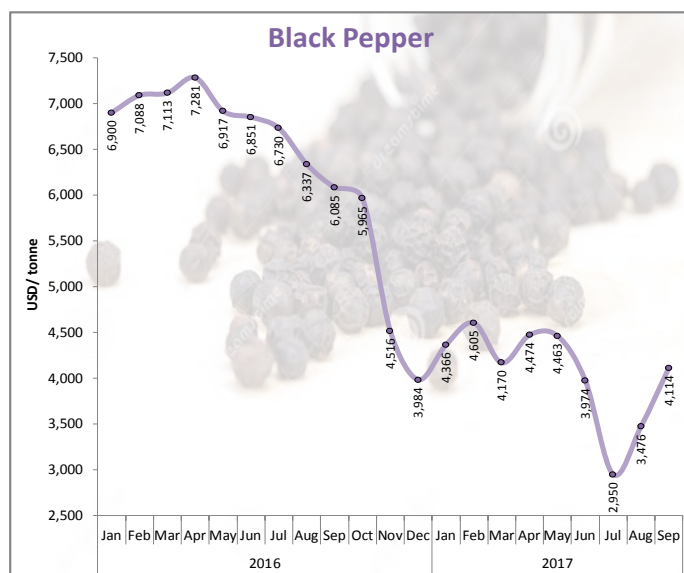
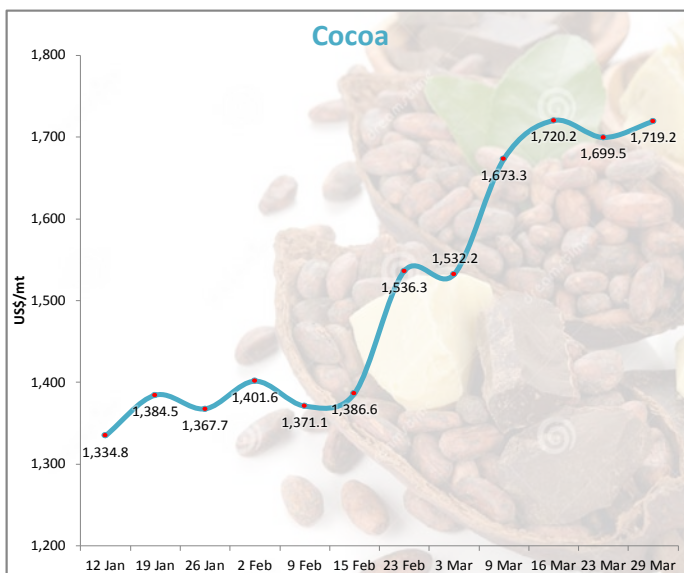
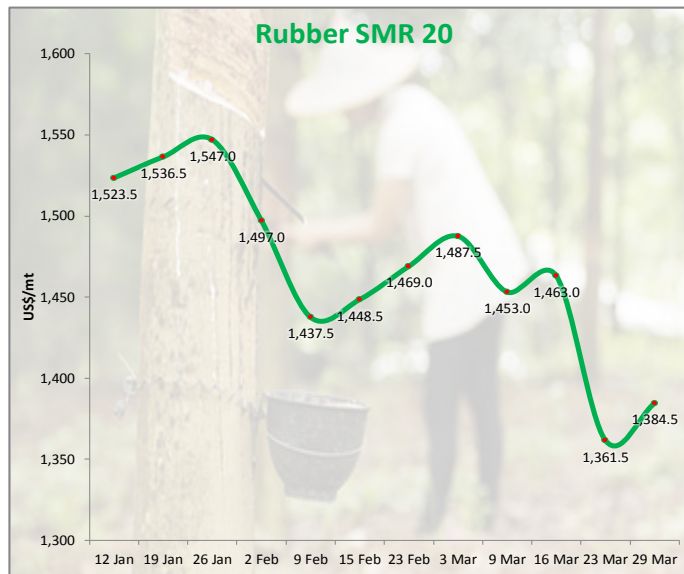
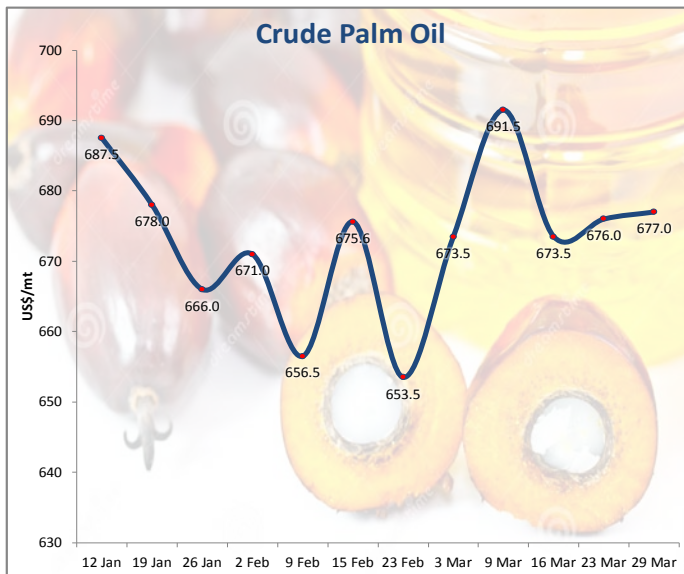
Notes: All figures have been rounded to the nearest decimal point

* Refer to % change from the previous week's price

ⁱ Average price in the year except otherwise indicated

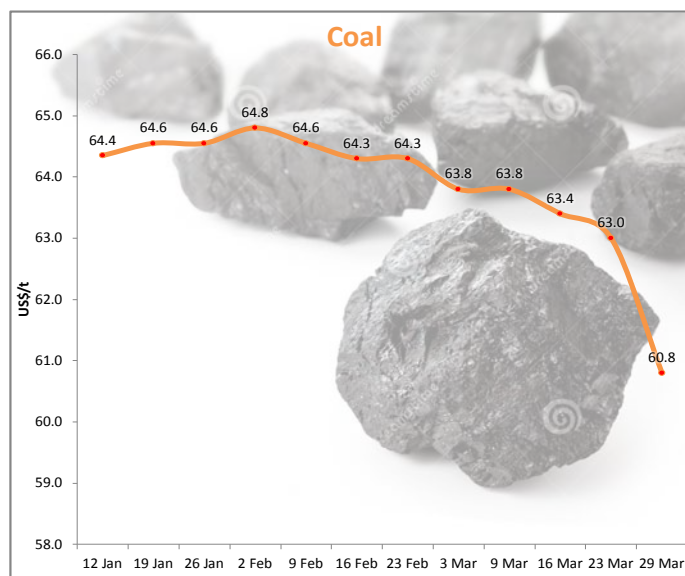
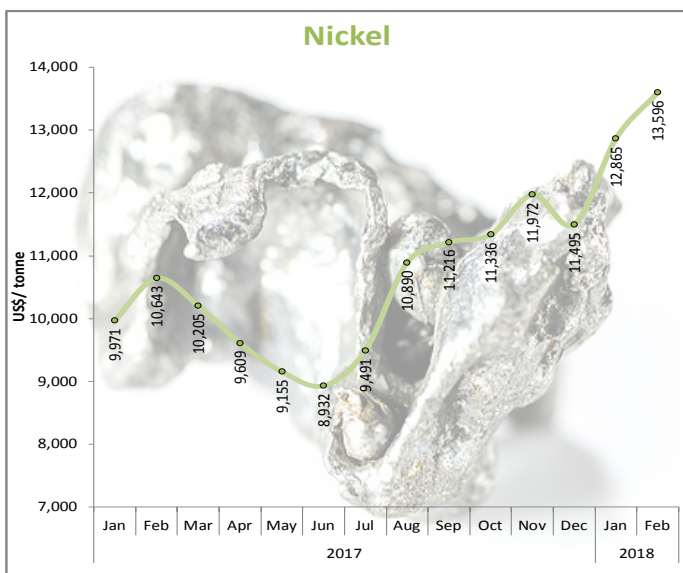
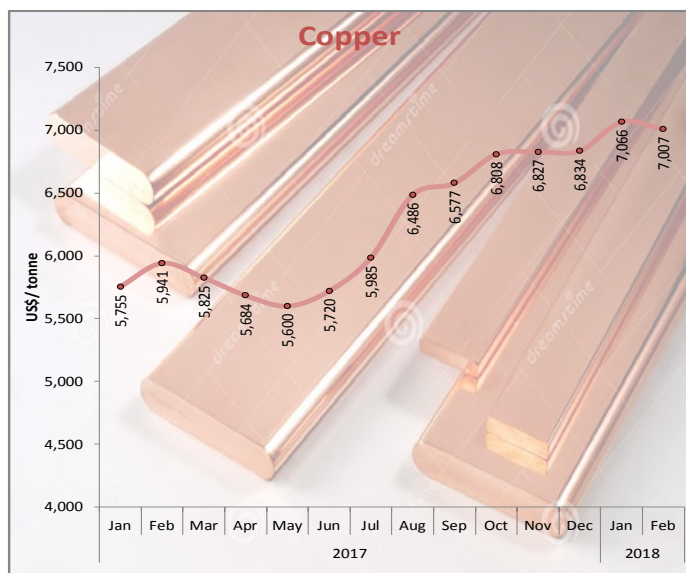
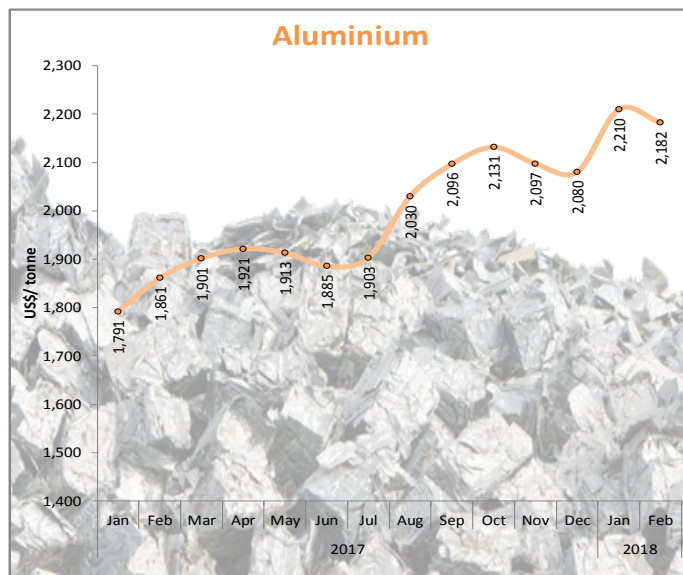
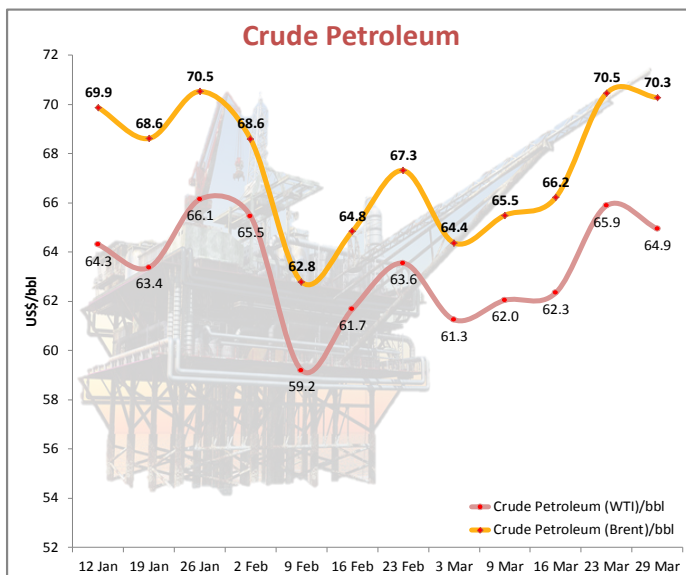
Sources: Ministry of International Trade and Industry Malaysia, Malaysian Palm Oil Board, Malaysian Rubber Board, Malaysian Cocoa Board, Malaysian Iron and Steel Industry Federation, and Bloomberg.

Commodity Price Trends



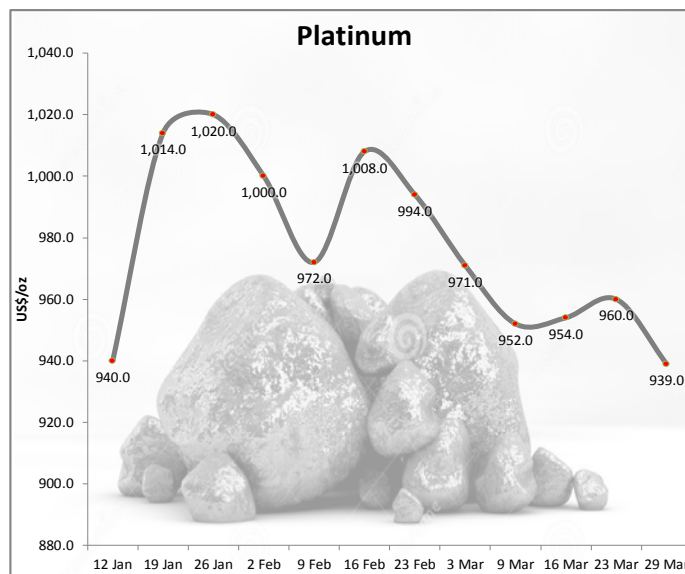
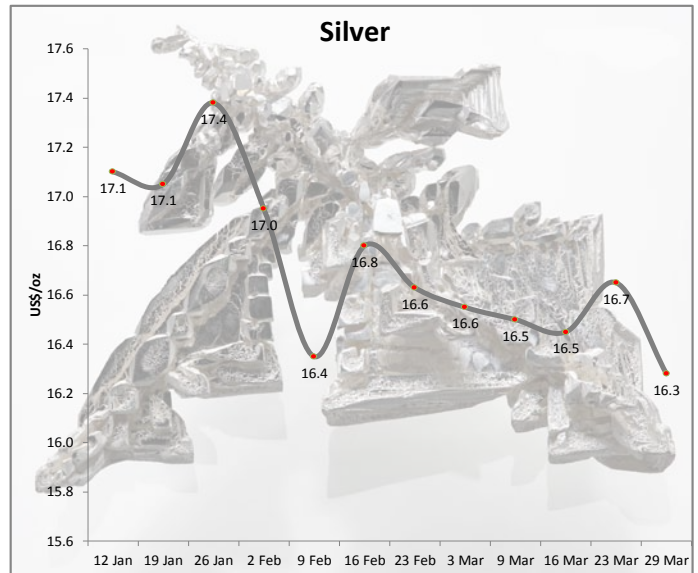
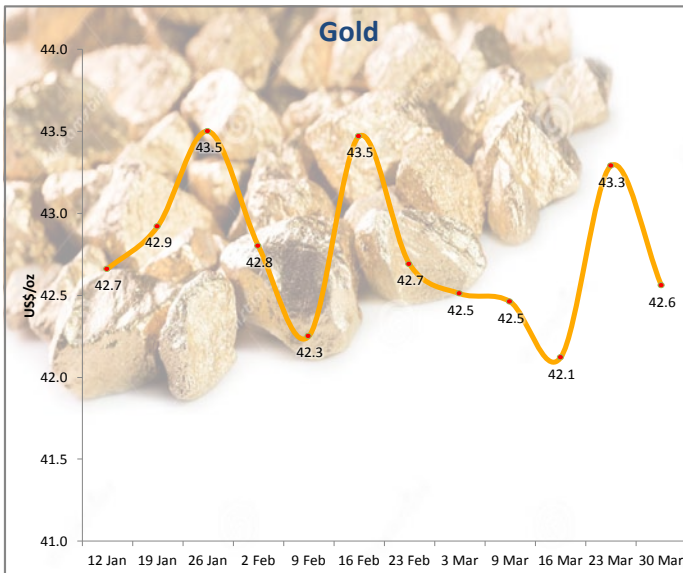
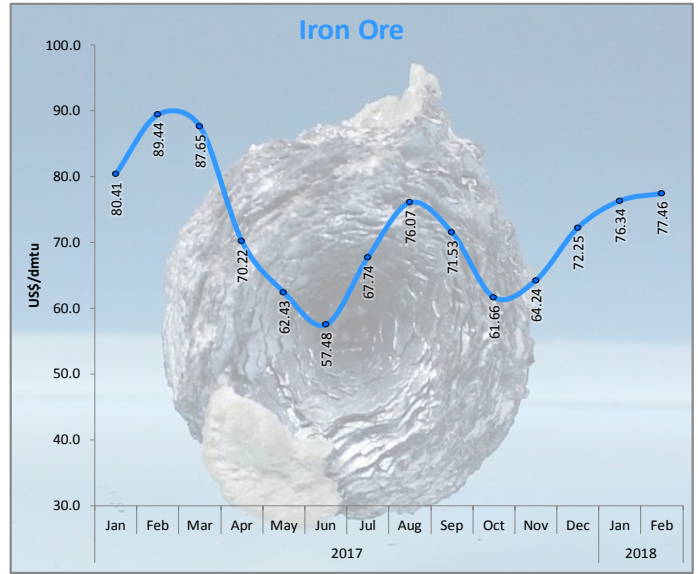
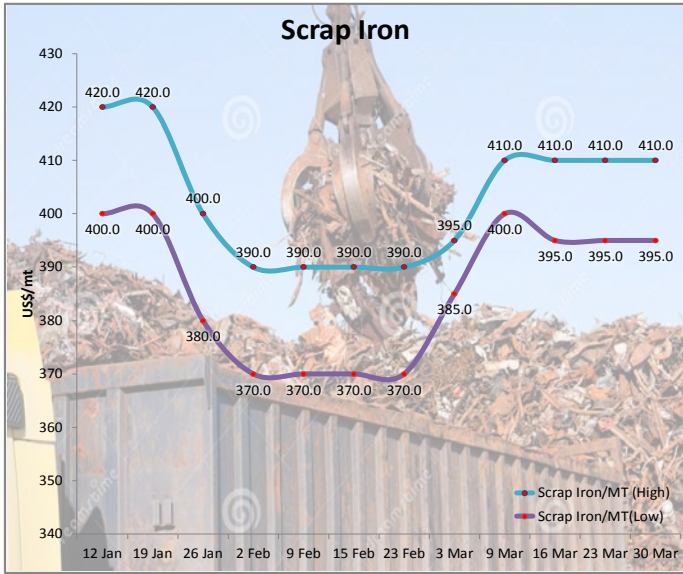
Sources: Ministry of International Trade and Industry Malaysia, Malaysian Palm Oil Board, Malaysian Rubber Board, Malaysian Cocoa Board, Malaysian Pepper Board, Bloomberg and Czarnikow Group, World Bank, World Gold Council, The Wall Street Journal.

Commodity Price Trends



Sources: Ministry of International Trade and Industry Malaysia, Malaysian Iron and Steel Industry Federation, Bloomberg and Czarnikow Group, World Bank, World Gold Council, The Wall Street Journal.

Commodity Price Trends



Sources: Ministry of International Trade and Industry Malaysia, Malaysian Iron and Steel Industry Federation, Bloomberg and Czarnikow Group, World Bank.



InvestKL Annual Networking Malaysia International Trade And Exhibition Centre(Mitec) 29 March 2018



MITI Minister at SMK Ayer Lanas, Jeli Kelantan 2 April 2018



MITI Minister (II) at the Launching Ceremony of the e-Commerce Micro Credit Scheme Wisma HUAZONG, Seri Kembangan, Selangor. 1 April 2018



MITI Deputy Minister (Industry) at Program Transformasi Jawatankuasa Perwakilan Penduduk (JPP) Majlis Daerah Pontian 1 April 2018



MITI Deputy Minister (Trade) at Program Jalan Kaki Kesihatan 10,000 Langkah with Warga FELDA Tenang, Labis Johor 1 April 2018





MALAYSIA'S NATIONAL BLUE OCEAN SHIFT (NBOS)

Malaysia is making a blue ocean shift in its national development as it strives to become an advanced nation by 2020. To achieve this, the government has adopted blue ocean shift process.

Major ideas of Blue Ocean Strategy:

- focuses on differentiation & low cost to open up new market space;
- creates new demands by converting non-customers into customers; and
- offers process and visual tools that are systematic and replicable to ensure designing and implementation of strategies which are much more effective.

National Blue Ocean Shift (NBOS) is formulated and executed through the NBOS Summit, a unique and dynamic national strategy platform which brings together ministries, agencies, all levels of government and the private sector on a voluntary basis. The Summit, which was launched in 2009, breaks down bureaucratic silos through fair process, and is driven by the creation of new ideas.

To date, 117 NBOS initiatives have been successfully implemented to tackle a wide range of economic and social issues.

The implementation of NBOS work culture will lead to new, creative & innovative ideas. It emphasizes collaboration among government agencies, the private sector and NGO's with the objective of delivering services and projects that are of high impact, low cost with rapid execution & on a sustainable basis.

The design and selection of NBOS initiatives are based on two key principles:

- delivering high income through economic growth and integrated development; and
- enhancing the level of public well-being through greater security as well as social inclusion to close the social distance between various groups in society (for example, rural vs. urban, young vs. old, men vs women, etc..)

The government used blue ocean tools and frameworks in the Eleventh Malaysia Plan to formulate high-impact, low-cost national strategies that can be rapidly executed.

Source: Reprinted from <https://www.blueoceanstrategy.com/malaysia-nbos/> and [http://www.nbos.gov.my/posts/national-blue-ocean-strategy-\(nbos\)](http://www.nbos.gov.my/posts/national-blue-ocean-strategy-(nbos))



Glossary

of Technical Terms

DFQF

Duty Free Quota Free - Special treatment accorded to LDCs where by developed countries will allow DFQF access for products from LDCs.

Digital Marketing

Marketing of products or services using digital channels to reach consumers. Digital marketing extends beyond internet marketing to include channels that do not require the use of the internet.

Doha Development Agenda (DDA/Doha Development Round)

The Doha Round or the Doha Development Agenda is the latest round of trade negotiations among WTO membership. The work program covers about 20 areas and a basic objective to improve the trading prospects of developing countries. Key areas under negotiations are agriculture, industrial tariffs and non-tariff barriers, services, and trade remedies (safeguards, anti-dumping, subsidies). The DDA was launched in November 2001 at the 4th WTO Ministerial Conference in Doha, Qatar. However, negotiations have broken down and a conclusion of elements of the Doha Round is unlikely in the near future.

Domestic Regulations

Unpacking GATS Article VI.4 on domestic regulation exposes possibly the single most controversial item on the current negotiating agenda, and also one of the greatest threats that GATS poses to democracy. Concern is all the greater because it is not clear whether rules developed in the current negotiations on Article VI.4 will apply to all service sectors or only those where specific commitments have been made. Complex judgement decides the appropriateness of domestic regulations in the services sector, ensuring a balance between public interest and commercial considerations. This judgement must not be allowed to pass from elected governments to WTO disputes panels.

Domestic Support (Subsidies)

In WTO terminology, subsidies in general are identified by “boxes” which are given the colours of traffic lights: green (permitted), amber (slow down — i.e. to be reduced), red (forbidden).

In agriculture, domestic support refers to domestic subsidy or other measure which acts to maintain producer’s price at levels above those prevailing in international trade. Examples include direct payments to producers, input and marketing cost reductions measures.

Door-to-Door

Contract of carriage that includes pre-carriage, main-carriage and on-carriage by the same carrier:

- Door-to- (Air) Port: Contract of carriage including pre-carriage and main-carriage to airport or ocean port or truck terminal port or rail port
- (Air) Port-to- (Air) Port: Contract of carriage for main carriage only
- (Air) Port-to-Door: Contract of carriage including main carriage and on-carriage

Duty Drawback Facility

Rebate of import duties when the imported good is re-exported or used as input to the production of an exported good.

E-commerce

Electronic business transactions, commerce or internet trade. May be conducted between companies (B2B) or between companies and customers (B2C) that are wholly or partially conducted over the internet or similar public or private computer networks.

e-Fulfillment

The process of receiving, packaging and shipping orders for goods.

TO BE
CONTINUED...

ANNOUNCEMENT



Industry 4.0

For more information on Industry 4.0, please visit MITI's website via this link:
<http://www.miti.gov.my/index.php/pages/view/industry4.0?mid=559>

Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP)

For more information on Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) please visit MITI's website via this link: <http://fta.miti.gov.my/index.php/pages/view/71?mid=40>

Withholding Tax

For more information on Withholding Tax, please visit LHDN's website via this link:
http://www.hasil.gov.my/bt_goindex.php?bt_kump=2&bt_skum=6&bt_posi=1&bt_unit=5&bt_sequ=1&bt_lgv=2



MICRO CREDIT FOR e-COMMERCE

- Provide loan to young chinese who are interested to venture into e-commerce
- Provide loan for start-up capital in related to e-commerce
- Provide e-commerce training consultation
- Can apply loan on the spot

For more information, please visit <http://chinesewomenfoundation.org/e-commerce-micro-credit/>



03-56300608

**Organised by:
Malaysian Chinese Women Entrepreneurs Foundation**

MITI Weekly Bulletin (MWB) Mobile Apps



MITI MWB APPs is now available for IOS, Android and Windows platforms. MWB APPs can be download from **Gallery of Malaysian Government Mobile APPs (GAMMA)** at the link: <http://gamma.malaysia.gov.my/#/appDetails/85>

MWB Facebook Page



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suggestions



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